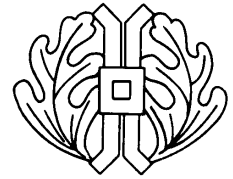


PREVENTIVE LAW SERIES

SURVIVOR BENEFIT PLAN (SBP)



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WHAT IS THE SURVIVOR BENEFIT PLAN (SBP), AND HOW DOES IT WORK?

The SBP is an annuity that lets retired military members (both active duty and reserve) provide continued income to specified beneficiaries at the time of the death of a deceased service member or retiree. It is similar to insurance in that it enables military personnel to provide monthly income to their beneficiaries upon their death. The SBP is free for active duty service members with 20 years of qualifying service. The SBP for retirees is paid for by premium payments from a retiree's paycheck. There is a tax break for the retiree in that the amount of the SBP premium is not included in the taxable portion of his or her retired pay.

You should know that upon retirement SBP is not automatic. At the time of retirement, the service member must choose to participate in the SBP or not. If a retiree chooses not to participate in the SBP, then retirement pay will cease upon their death. If a retiree chooses to participate in the SBP and makes the required premium payments, then upon their death the designated beneficiary receives a monthly annuity for life for up to 55% of the retiree's pay. The exact amount of the annuity depends upon **many factors** which are too numerous to explain here.

LEGAL ASSISTANCE APPOINTMENTS:

For an appointment to see a legal assistance attorney, please contact the Legal Assistance Office, located in Building 610, Naval Air Station North Island, by telephone at (619) 545-6278.

RESOURCES:

You can obtain additional information about SBP by doing the following:
Contact the Legal Assistance Office at (619) 545-6278
Write DFAS at DFAS-DE/FRB, 6760 E. Irvington Place, Denver CO 80279-6000
Visit the DFAS internet site at <http://www.dfas.mil/money/retired/survbnft.htm>
Call DFAS at (800)435-3396 or (303) 676-6552
Look up the SBP law at 10 U.S.C. 1447-1455